

Tuesday, February 26, 2008

House Meets At...	Votes Predicted At...
10:30 a.m. For Morning Hour 12: 00 p.m. For Legislative Business Unlimited "One-minutes" Per Side	Last Vote: 4:00 p.m.

Any anticipated Member absences for votes this week should be reported to the Office of the Majority Whip at 226-3210.

Floor Schedule and Procedure

- **H. Res. 974 –Rule providing for consideration of H.R. 3521 - Public Housing Asset Management Improvement Act of 2007 (Rep. Sutton – Rules):** The structured rule provides one hour of general debate equally divided and controlled by the Chairman and Ranking Member of the Committee on Financial Services. No amendments shall be in order except those amendments printed in the Rules Committee report accompanying the resolution. The rule provides one motion to recommit with or without instructions. The rule provides that H.Res. 955 is laid on the table. Debate on the rule will be managed by Rep. Sutton, and consideration will proceed as follows:
 - One hour of debate on the rule.
 - Possible vote on a Democratic Motion ordering the previous question. **Democrats are urged to vote yes.**
 - Vote on adoption of the rule. **Democrats are urged to vote yes.**
- **H.R. 3521 - Public Housing Asset Management Improvement Act of 2007 (Rep. Sires – Financial Services):** Debate on the bill will be managed by Financial Services Chair Rep. Barney Frank, or his designee, and will proceed as follows:
 - One hour of debate on the bill.
 - Debate and votes on amendments to the bill.
 - Possible debate and vote on a Republican Motion to recommit the bill.
 - Vote on passage of the bill.

Bill Summary and Key Issues

H.R. 3521 – PUBLIC HOUSING ASSET MANAGEMENT IMPROVEMENT ACT OF 2007

H.R. 3521 is a carefully written bill intended to provide flexibility to the nation's 3,100 public housing authorities (PHAs) as they embark on the most significant administrative transformation in the last 30 years, commonly referred to as "asset management." Under asset management, PHAs are moving from a system of managing public housing developments on an agency-wide basis to a system of administering each development on a project-level basis. While most agree that it is desirable for PHAs to move to asset management, the disagreement arises over how this transition is implemented. PHAs have raised strenuous objection to the inflexible manner in which HUD is implementing asset management and have strongly questioned HUD's decision to force PHAs to be in compliance with asset management prior to 2011. They also object to HUD's restrictions on how they may use their operating and capital funds to successfully implement asset management. The bill responds to these objections by providing regulatory relief to PHAs transitioning to asset management.

The flexibility provided by this bill is critical because the move to asset management comes at a time of declining resources for public housing, which has in turn exacerbated the challenge faced by PHAs in converting to asset management. Public housing was funded at approximately \$7.1 billion in FY 2001 while the FY 2009 budget request calls for approximately \$6.3 billion in funding. PHAs should be given more, not less, flexibility in managing the declining funds being given to them.

Specifically, H.R. 3521 includes the following important provisions: (1) it would ensure that the management and related fees established by PHAs are reasonable by allowing PHAs, rather than HUD, to determine such fees prior to 2011; (2) it would clarify that PHAs may use a portion of their capital fund grant for operating expenses; (3) it would raise the level at which small PHAs are exempt from asset management from 250 to 500; and (4) it would encourage participation of public housing residents in the implementation of asset management.

The bill does not eliminate asset management or make it voluntary for all agencies. In addition, H.R. 3521 passed the Financial Services Committee by voice vote and the CBO estimates that the bill will have no significant impact on federal spending and does not contain any mandatory costs. Finally, the bill has been endorsed by all the groups that represent public housing administrators and agencies as well as by tenant advocacy groups, which were instrumental in developing language to ensure that affected residents are given an opportunity to comment on the impact of asset management.

Anticipated Amendments to H.R. 3521

Frank (MA)/Sires (NJ): The amendment clarifies the intent of an amendment offered by Rep. Velazquez and adopted by the Financial Services Committee by ensuring that public housing authorities that apply to HUD for “stop-loss” do not have their applications rejected on the basis that the management and related fees they establish pursuant to this bill are not reasonable as defined by HUD. Additionally, the amendment is a restatement of current law with respect to the ineligibility of illegal immigrants for assistance. (10 minutes)

Meek (FL): The amendment holds HUD responsible, in the case of receivership, for performing the same responsibilities that the local housing agencies have in respect to working with tenant associations before building public housing. Additionally, in the case of receivership, before building new public housing HUD must honor any formal agreements entered into before the commencement of such receivership between the local housing authority and the tenant association. (10 minutes)

Quote of the Day

“No one is born a good citizen; no nation is born a democracy. Rather, both are processes that continue to evolve over a lifetime. Young people must be included from birth. A society that cuts off from its youth severs its lifeline.” -Kofi Annan

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